



DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

Agency Information Collection Activities: Submission for OMB Review; Comment

Request; Real Estate Lending and Appraisals

AGENCY: Office of the Comptroller of the Currency (OCC), Treasury.

ACTION: Notice and request for comment.

SUMMARY: The OCC, as part of its continuing effort to reduce paperwork and respondent burden, invites comment on a continuing information collection, as required by the Paperwork Reduction Act of 1995 (PRA). In accordance with the requirements of the PRA, the OCC may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The OCC is soliciting comment concerning renewal of its information collection titled, "Real Estate Lending and Appraisals." The OCC also is giving notice that it has sent the collection to OMB for review.

DATES: Comments must be received by [INSERT 30 DAYS FROM DATE OF PUBLICATION IN THE **FEDERAL REGISTER**.]

ADDRESSES: Commenters are encouraged to submit comments by e-mail, if possible.

You may submit comments by any of the following methods:

- *E-mail:* prainfo@occ.treas.gov.
- *Mail:* Chief Counsel's Office, Attention: Comment Processing, 1557-0190, Office of the Comptroller of the Currency, 400 7th Street, SW., suite 3E-218, Washington, DC 20219.
- *Hand Delivery/Courier:* 400 7th Street, SW., suite 3E-218, Washington, DC 20219.
- *Fax:* (571) 465-4326.

Instructions: You must include “OCC” as the agency name and “1557-0190” in your comment. In general, the OCC will publish comments on *www.reginfo.gov* without change, including any business or personal information provided, such as name and address information, e-mail addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Written comments and recommendations for the proposed information collection should also be sent within 30 days of publication of this notice to *www.reginfo.gov/public/do/PRAMain*. You can find this particular information collection by selecting “Currently under 30-day Review – Open for Public Comments” or by using the search function.

On June 7, 2022, the OCC published a 60-day notice for this information collection, 87 FR 34756. You may review comments and other related materials that pertain to this information collection following the close of the 30-day comment period for this notice by the method set forth in the next bullet.

- Viewing Comments Electronically: Go to *www.reginfo.gov*. Hover over the “Information Collection Review” tab and click on “Information Collection Review” from the drop-down menu. From the “Currently under Review” drop-down menu, select “Department of Treasury” and then click “submit.” This information collection can be located by searching by OMB control number “1557-0190” or “Real Estate Lending and Appraisals.” Upon finding the appropriate information collection, click on the related “ICR Reference Number.” On the next screen, select “View Supporting Statement and Other Documents” and then click on the link to any comment listed at the bottom of the screen.

- For assistance in navigating www.reginfo.gov, please contact the Regulatory Information Service Center at (202) 482-7340.

FOR FURTHER INFORMATION CONTACT: Shaquita Merritt, OCC Clearance Officer, (202) 649-5490, Chief Counsel's Office, Office of the Comptroller of the Currency, 400 7th Street, SW., Suite 3E-218, Mail Stop 9W-11, Washington, DC 20219. If you are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

SUPPLEMENTARY INFORMATION: Under the PRA (44 U.S.C. 3501-3520), Federal agencies must obtain approval from the OMB for each collection of information that they conduct or sponsor. "Collection of information" is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) to include agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. The OCC asks that OMB extend its approval of the collection in this notice.

Title: Real Estate Lending and Appraisals.

OMB Control No.: 1557-0190.

Type of Review: Extension, without revision, of a currently approved collection.

Description: Twelve CFR parts 34 and 160 contain a number of reporting, recordkeeping, and disclosure requirements. Twelve CFR part 34, subpart B (Adjustable-Rate Mortgages (ARM)), subpart E (Other Real Estate Owned (OREO)) and part 160 (Lending and Investment) contain reporting requirements. Twelve CFR part 34, subpart C (Appraisal Requirements), subpart D (Real Estate Lending Standards), and part 160 contains recordkeeping requirements. Twelve CFR 190.4(h) contains a disclosure requirement concerning Federally-related residential manufactured housing loans.

Twelve CFR part 34, subpart B, § 34.22(a) and § 160.35(b) require that for ARM loans, the loan documentation must specify an index or combination of indices to which changes in the interest rate will be linked. Sections 34.22(b) and 160.35(d)(3) set forth

the notice procedures for national banks and Federal savings associations to use when seeking to use an alternative index.

Twelve CFR 34.44 provides minimum standards for the performance of real estate appraisals, including the requirement that appraisals be in writing and contain sufficient information and analysis to support the institution's decision to engage in the transaction.

Twelve CFR 34.62, 160.101 and the related appendices require each institution to adopt and maintain written policies that establish appropriate limits and standards for extensions of credit that are secured by liens on or interests in real estate, or that are made for the purpose of financing permanent improvements to real estate. The institution's board of directors must approve the real estate lending policies at least annually.

Twelve CFR 7.1024(d) requires that after holding any real estate acquired for future bank expansion for one year, a national bank or Federal savings association must state, by resolution or other official action, its plans for the use of the property and make the resolution or other action available for inspection by examiners. Twelve CFR 34.85 requires national banks and Federal savings associations to develop prudent real estate collateral evaluation policies to monitor the value of each parcel of OREO in a manner consistent with prudent banking practice. Twelve CFR 34.85 establishes the appraisal requirements for OREO held by institutions, with reference to the appraisal requirements in 12 CFR 34, subpart C, "Appraisals."

Twelve CFR 34.85 requires national banks and Federal savings associations to obtain an appraisal or evaluation, as appropriate, to substantiate the market value of each parcel upon transfer to OREO. If the institution has a valid and compliant appraisal or evaluation that was previously obtained in connection with the underlying real estate

loan, it does not need to obtain a new appraisal or evaluation to comply with these regulations.

Twelve CFR 34.86 requires national banks and Federal savings associations to notify the appropriate supervisory office at least 30 days before making advances under a development or improvement plan for OREO if the total investment in the property will exceed 10 percent of the institution's total equity capital on its most recent report of condition.

Twelve CFR 190.4(h) requires that for Federally-related residential manufactured housing loans, a creditor must send a debtor a notice of default at least 30 days prior to any repossession, foreclosure, or acceleration of payments.

Affected Public: Businesses or other for-profit.

Frequency of Response: On occasion.

Burden Estimates:

Estimated Number of Respondents: 1,413.

Estimated Annual Burden: 193,857.

Comments: On June 7, 2022, the OCC published a 60-day notice for this information collection, 87 FR 34756. No comments were received. Comments continue to be invited on:

- (a) Whether the collection of information is necessary for the proper performance of the functions of the OCC, including whether the information has practical utility;
- (b) The accuracy of the OCC's estimate of the information collection burden;
- (c) Ways to enhance the quality, utility, and clarity of the information to be collected;
- (d) Ways to minimize the burden of the collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- (e) Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

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Office of the Comptroller of the Currency.

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